



Sen. Antonio Muñoz

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1 AMENDMENT TO SENATE BILL 712

2 AMENDMENT NO. _____. Amend Senate Bill 712 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Video Gaming Act is amended by changing
5 Section 45 as follows:

6 (230 ILCS 40/45)

7 Sec. 45. Issuance of license.

8 (a) The burden is upon each applicant to demonstrate his
9 suitability for licensure. Each video gaming terminal
10 manufacturer, distributor, supplier, operator, handler,
11 licensed establishment, licensed truck stop establishment,
12 licensed fraternal establishment, and licensed veterans
13 establishment shall be licensed by the Board. The Board may
14 issue or deny a license under this Act to any person pursuant
15 to the same criteria set forth in Section 9 of the Riverboat
16 Gambling Act.

1 (a-5) The Board shall not grant a license to a person who
2 has facilitated, enabled, or participated in the use of
3 coin-operated devices for gambling purposes or who is under the
4 significant influence or control of such a person. For the
5 purposes of this Act, "facilitated, enabled, or participated in
6 the use of coin-operated amusement devices for gambling
7 purposes" means that the person has been convicted of any
8 violation of Article 28 of the Criminal Code of 1961 or the
9 Criminal Code of 2012. If there is pending legal action against
10 a person for any such violation, then the Board shall delay the
11 licensure of that person until the legal action is resolved.

12 (b) Each person seeking and possessing a license as a video
13 gaming terminal manufacturer, distributor, supplier, operator,
14 handler, licensed establishment, licensed truck stop
15 establishment, licensed fraternal establishment, or licensed
16 veterans establishment shall submit to a background
17 investigation conducted by the Board with the assistance of the
18 State Police or other law enforcement. To the extent that the
19 corporate structure of the applicant allows, the background
20 investigation shall include any or all of the following as the
21 Board deems appropriate or as provided by rule for each
22 category of licensure: (i) each beneficiary of a trust, (ii)
23 each partner of a partnership, (iii) each member of a limited
24 liability company, (iv) each director and officer of a publicly
25 or non-publicly held corporation, (v) each stockholder of a
26 non-publicly held corporation, (vi) each stockholder of 5% or

1 more of a publicly held corporation, or (vii) each stockholder
2 of 5% or more in a parent or subsidiary corporation. In the
3 course of conducting background investigations authorized
4 under this Section, the Board has the discretion to determine
5 whether to conduct a background investigation of a person or
6 entity who holds an indirect interest in the person seeking
7 licensure who: (1) holds such interest for investment purposes
8 only; (2) does not exercise any control over the activities of
9 the person seeking and possessing a license; and (3) is a
10 limited partner in a partnership whose general partner is
11 controlled, directly or indirectly, by an investment adviser
12 registered under the federal Investment Advisers Act of 1940.

13 (c) Each person seeking and possessing a license as a video
14 gaming terminal manufacturer, distributor, supplier, operator,
15 handler, licensed establishment, licensed truck stop
16 establishment, licensed fraternal establishment, or licensed
17 veterans establishment shall disclose the identity of every
18 person, association, trust, corporation, or limited liability
19 company having a greater than 1% direct or indirect pecuniary
20 interest in the video gaming terminal operation for which the
21 license is sought. If the disclosed entity is a trust, the
22 application shall disclose the names and addresses of the
23 beneficiaries; if a corporation, the names and addresses of all
24 stockholders and directors; if a limited liability company, the
25 names and addresses of all members; or if a partnership, the
26 names and addresses of all partners, both general and limited.

1 The Board has discretion to determine whether to apply the
2 disclosure requirement of this subsection (c) as it relates to
3 the beneficiaries, stock holders, directors, members, or
4 partners of an entity who holds an indirect interest in a
5 person seeking licensure if the entity: (1) holds an interest
6 for investment purposes only; (2) does not exercise any control
7 over the activities of the person seeking and possessing a
8 license; and (3) is a limited partner in a partnership whose
9 general partner is controlled by an investment adviser
10 registered under the federal Investment Advisers Act of 1940.

11 (d) No person may be licensed as a video gaming terminal
12 manufacturer, distributor, supplier, operator, handler,
13 licensed establishment, licensed truck stop establishment,
14 licensed fraternal establishment, or licensed veterans
15 establishment if that person has been found by the Board to:

16 (1) have a background, including a criminal record,
17 reputation, habits, social or business associations, or
18 prior activities that pose a threat to the public interests
19 of the State or to the security and integrity of video
20 gaming;

21 (2) create or enhance the dangers of unsuitable,
22 unfair, or illegal practices, methods, and activities in
23 the conduct of video gaming; or

24 (3) present questionable business practices and
25 financial arrangements incidental to the conduct of video
26 gaming activities.

1 (e) Any applicant for any license under this Act has the
 2 burden of proving his or her qualifications to the satisfaction
 3 of the Board. The Board may adopt rules to establish additional
 4 qualifications and requirements to preserve the integrity and
 5 security of video gaming in this State.

6 (f) A non-refundable application fee shall be paid at the
 7 time an application for a license is filed with the Board in
 8 the following amounts:

- 9 (1) Manufacturer \$5,000
- 10 (2) Distributor..... \$5,000
- 11 (3) Terminal operator..... \$5,000
- 12 (4) Supplier \$2,500
- 13 (5) Technician \$100
- 14 (6) Terminal Handler \$50

15 (g) The Board shall establish an annual fee for each
 16 license not to exceed the following:

- 17 (1) Manufacturer \$10,000
- 18 (2) Distributor..... \$10,000
- 19 (3) Terminal operator..... \$5,000
- 20 (4) Supplier \$2,000
- 21 (5) Technician \$100
- 22 (6) Licensed establishment, licensed truck stop
 23 establishment, licensed fraternal establishment,
 24 or licensed veterans establishment \$100
- 25 (7) Video gaming terminal..... \$100
- 26 (8) Terminal Handler \$50

1 (h) A terminal operator and a licensed establishment,
2 licensed truck stop establishment, licensed fraternal
3 establishment, or licensed veterans establishment shall
4 equally split the fees specified in item (7) of subsection (g).
5 (Source: P.A. 97-1150, eff. 1-25-13; 98-31, eff. 6-24-13;
6 98-587, eff. 8-27-13; revised 9-19-13.)

7 Section 99. Effective date. This Act takes effect upon
8 becoming law."